NH ODD Fund Case Study



Infrastructure and Municipal Assistance

Overview

The Oil Discharge and Disposal Cleanup Fund (ODD Fund) frequently plays a role in infrastructure and municipal projects. Gas stations and underground storage tanks are typically located on the busiest roads and intersections to achieve high sales and traffic counts. These are also the locations where most infrastructure and road upgrade projects occur. Conflict inevitably arises as contractors try to maintain schedules, recover costs for changed conditions and government agencies or programs try to recover the additional expenditures related to soil and groundwater contamination from responsible parties.

In addition to infrastructure projects, municipalities frequently face difficult decisions on whether to tax deed contaminated properties. In some cases, municipalities acquire contaminated properties as the developer of last resort. These properties may have a blighting effect on other area properties and the best interest of the community is served by addressing the properties. The ODD Fund has played a significant, positive role in both assisting infrastructure and municipal projects.

Road Projects

The ODD, FOD or GREE funds often play a role in road projects. As

Road Related Project Assistance to NHDOT Examples: Total >\$904,319

- Granite Street/CFI gas station, Manchester
- Downtown Bridge Project/former ARCO, Plymouth
- Bridge Project/Newbury Service Center, Newbury
- Route 3 Upgrade/Gulbicki's Towing, Laconia
- Windham Sunoco & Exxon, Windham
- Johnson & Dix Bulk Plant, Concord
- 366 N Broadway, Salem
- Rte 3 Irving, Pembroke
- Ray the Mover

Municipal Tax Deeding and Purchase Examples: Total >\$1,513,132

- Former Belmont Gulf, Belmont
- Hodgdon Oil, Berlin
- Goodard's Bakery, Claremont
- Small Engine Doctor, Claremont
- Derry Municipal Building/Fred Fuller Bulk Oil Facility, Derry
- Three Bulk Oil Plants, Derry
- Epping Fire Dept. (Sonny's Gulf)
- Community Septic Project/Former East Coast Steel, Greenville
- Perkins Machine, Keene
- Proposed Littleton Police Station
- Avilite, Marlborough
- Granite Landing, Manchester
- Former Whitney Screw, Nashua
- Levesque Security Oil, Nashua
- Agostino Residence, Northwood
- CTP Petroleum/Electric Dept., Wolfeboro

Non-road Infrastructure Project Examples: Total >\$63,950

- Main Street Utility Project/Former Main Street Texaco, Franconia
- Penacook Utility Upgrade/Guinard's Texaco, Concord
- Main Street Stormwater Project/Former Bowies Market, Bradford

previously discussed gas stations are located on busy roads and at key intersections. When a road is widened or interstate interchanges are upgraded, areas of contamination are encountered or NHDOT acquires contaminated properties that have to be cleaned up for the eventual construction of new roads and ramps. For example, the reconstruction of the I-93 Exit 3 ramps in Windham resulted in the acquisition of two contaminated gas station properties: Windham Sunoco and Windham Exxon. Cleanup of these two stations alone would have cost NHDOT over \$120,000. Another large project was the Plymouth Bridge project. The new bridge alignment placed crucial bridge piers over a heavily contaminated former ARCO gas station. As can be seen in the table on the first page, the ODD fund is frequently used to address these types of situations.

Involuntary Takings and Municipal Projects

Municipalities are frequently faced with decisions on tax deeding contaminated property. The list on the proceeding page is not all inclusive and is intended to illustrate how common this situation can be. In some cases, contaminated properties are acquired for urban renewal or for construction of public facilities, such as the Derry Municipal Building/former Fred Fuller Bulk Plant, Epping Fire Dept./former Sonny's Gulf, Belmont Park 'n Ride/former Belmont Gulf, Proposed Littleton Police Station, etc. In other cases the municipality tax deeds a property that is a community eyesore or blight, Whitney Screw, Avilite, Levesque Security Oil, Perkins Machine, Belmont Gulf, and bulk oil plants in Derry. The ODD Fund plays a major role in the cleanup and return to the tax roles of these types of properties.



Former Fred Fuller Bulk Plant, now part of the Derry Municipal Building (2003 Plan NH Merit Award Winner)

Utility Projects

Utility projects all have one thing in common. They are along the easement of roads and highways. Unfortunately, this is also a location that is frequently contaminated by gasoline, diesel and oil that leaked from underground storage tanks. Typically at older gas stations, the tanks and pump islands were closer to or under roads that have been widened over time. Municipalities have encountered significant pockets of contamination during construction of water, stormwater and sewer projects. DES and the ODD Fund have provided assistance in a number of occasions and lists some of the projects in the table on the proceeding page.